

United States Bankruptcy Court  
Northern District of California

In re:

Case No. 16-50855

Chapter 11

**ALICIA BEARD**

**[PROPOSED] COMBINED PLAN OF REORGANIZATION  
AND DISCLOSURE STATEMENT  
(OCTOBER 20, 2016)**

**INTRODUCTION**

This is Debtor's Combined Chapter 11 Plan of Reorganization and Disclosure Statement (the Plan). The Plan identifies each known creditor by name and describes how each claim will be treated if the Plan is confirmed.

Part 1 contains the treatment of creditors with secured claims; Part 2 contains the treatment of general unsecured creditors: 100% of their allowed claims in quarterly payments over 5 years. Taxes and other priority claims would be paid in full, as shown in Part 3.

Most creditors (those in impaired classes) are entitled to vote on confirmation of the Plan. Completed ballots must be received by Debtor's counsel, and objections to confirmation must be filed and served, no later than [date]. The court will hold a hearing on confirmation of the Plan on [date] at [time].

Attached to the Plan are exhibits containing financial information that may help you decide how to vote and whether to object to confirmation. Exhibit 1 includes background information regarding Debtor and the events that led to the filing of the bankruptcy petition and describes significant events that have occurred during this Chapter 11 case. Exhibit 2 contains an analysis of how much creditors would likely receive in a Chapter 7 liquidation. Exhibit 3 shows Debtor's monthly income and expenses. Exhibit 4 describes how much Debtor is required to pay on the effective date of the plan. Exhibit 5 shows Debtor's monthly income and expenses related to each investment property.

Whether the Plan is confirmed is subject to complex legal

rules that cannot be fully described here. You are strongly encouraged to read the Plan carefully and to consult an attorney to help you determine how to vote and whether to object to confirmation of the Plan.

If the Plan is confirmed, the payments promised in the Plan constitute new contractual obligations that replace the Debtor's pre-confirmation debts. Creditors may not seize their collateral or enforce their pre-confirmation debts so long as Debtor performs all obligations under the Plan. If Debtor defaults in performing Plan obligations, any creditor can file a motion to have the case dismissed or converted to a Chapter 7 liquidation, or enforce their non-bankruptcy rights. Debtor will be discharged from all pre-confirmation debts (with certain exceptions) if Debtor makes all Plan payments. Enforcement of the Plan, discharge of the Debtor, and creditors' remedies if Debtor defaults are described in detail in Parts 5 and 6 of the Plan.

**PART 1: TREATMENT OF SECURED CREDITORS**

**Creditors' Rights Remain Unchanged.**

Class	Name of Creditor	Description of Collateral
1(a)	Wells Fargo Bank, N.A. (Claim No. 8-1)	10900 Ridgeview Ave., San Jose, CA 95127-2618

These creditors' legal, equitable, and contractual rights remain unchanged with respect to the above collateral. The confirmation order will constitute an order for relief from stay. Creditors in these classes shall retain their interest in the collateral until paid in full. **These secured claims are not impaired and are not entitled to vote on confirmation of the Plan.**

**Debtor to Make Regular Payments and Pay Arrears Over Time.**

Class	1(b)
Name of Creditor	Wells Fargo Bank, N.A. (Claim No. 7-1)
Collateral	10890 Ridgeview Ave., San Jose, CA 95127-2647

Regular Monthly Payment	\$3,449.54
Estimated Arrears	\$183,417.37
Interest Rate on Arrears	0%
Lump Sum Payment	\$150,000
Monthly Payment on Arrears	\$556.96

Debtor will pay the entire amount contractually due by making all post-confirmation regular monthly payments, and by paying all pre-confirmation arrears (including attorneys fees and late charges) without interest in a lump sum payment in the amount of \$150,000.00 and the remaining balance of \$33,417.37 in 60 equal monthly payments, due the 15th day of the month, starting on the Effective Date of the Plan on the above secured claims. To the extent arrears are determined to be other than as shown above, appropriate adjustments will be made in the number of payments. Creditors in these classes shall retain their interest in the collateral until paid in full.

Creditors in these classes may not repossess or dispose of their collateral so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **These secured claims are impaired and entitled to vote on confirmation of the Plan.**

**Debtor to Adjust Terms and Pay Amount Due in Full Over Time.**

Class	1(c)
Name of Creditor	Ally Bank (Claim No. 1-1)
Collateral	2015 GMC Acadia
Amount Due	\$27,882.04 estimated (\$35,507.71 as of petition)
Interest Rate	5.2%
Monthly Payment	\$528.73
Term	60 months

Debtor will pay the entire amount contractually due with interest through 60 equal monthly payments, due the 15<sup>th</sup> day of the month, starting on the Effective Date of the Plan on the

above secured claims. Creditors in these classes shall retain their interest in the collateral until Debtor makes all payments on the allowed secured claim specified in the Plan.

Creditors in these classes may not repossess or dispose of their collateral so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **These secured claims are impaired and are entitled to vote on confirmation of the Plan.**

Payments to claimants in these classes may continue past the date Debtor obtains a discharge. The claimants' rights against its collateral shall not be affected by the entry of discharge, but shall continue to be governed by the terms of this Plan.

### **Property to be Sold.**

Class	1(d)
Name of Creditor	Wells Fargo Bank, N.A. (Claim No. 6-1)
Collateral	4024 Saddle Road, South Lake Tahoe, CA 96150 ("Saddle Road Property")
Value of Collateral	\$560,000
Monthly Payment	\$1,767.14

Debtor will sell the above collateral (the Saddle Road Property) by an estimated date of April 30, 2017, paying secured creditors from the proceeds of the sale. If sale of the above collateral does not complete by the estimated date, secured creditors may choose to wait until closure of such sale or pursue their default remedies. Debtor will file a motion for approval of any such sale on 28 days notice to lien holders. Unless the court orders otherwise, a lienholder whose lien is not in bona fide dispute may credit bid the amount of its lien at the sale. Any deficiency claim is a general unsecured claim treated in Part 2.

Debtor will continue making the regular monthly payments of \$1,767.14 pending the closing of the sale, due the 15<sup>th</sup> day of the month.

Creditors in these classes may not repossess or dispose of their collateral so long as Debtor is not in material default

under the Plan (defined in Part 6(c)). **These secured claims are impaired and are entitled to vote on confirmation of the Plan.**

**PART 2: TREATMENT OF GENERAL UNSECURED CREDITORS**  
**Class 2(a). Small Claims.**

Name of Creditor	Amount of Claim	Amount to be Paid
PYOD, LLC	\$343.69	\$343.69
Jeralyn K. Spradlin Law Offices	\$690.00	\$690.00
TOTAL	\$1,033.69	\$1,033.69

This class includes any creditor whose allowed claim is \$700 or less, and any creditor in Class 2(b) whose allowed claim is larger than \$701 but agrees to reduce its claim to \$700. Each creditor will receive on the Effective Date of the Plan a single payment equal to the lesser of its allowed claim or \$700.

Creditors in this class may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Claimants in this class are impaired and are entitled to vote on confirmation of the Plan, unless their claims are paid in full with interest on the Effective Date of the Plan.**

**Class 2(b). [Other] General Unsecured Claims.**

Name of Creditor	Amount of Claim	Disputed Y/N	Amount to be Paid	Quarterly Payment
Center for Advanced Dentistry	\$1,511.62	N	\$1,511.62	\$75.58
Credit First / CFNA	\$1,119.00	N	\$1,119.00	\$55.95
DiNapoli & Sibley	\$12,572.06	N	\$12,572.06	\$628.60
Gloria Robinson	\$3,000.00	N	\$3,000.00	\$150
Law Office of Camilla Cochran	\$7,785.22	N	\$7,785.22	\$389.26
Suzanne Forthfer	\$5,000.00	N	\$5,000.00	\$250.00
Synchrony Bank	\$7,823.18	N	\$7,823.18	\$391.16
Quantum3 Group, LLC	\$2,128.19	N	\$2,128.19	\$106.41
TOTAL	\$40,939.27	N	\$40,939.27	\$2,046.96

Allowed claims of general unsecured creditors [not treated

as small claims] (including allowed claims of creditors whose executory contracts or unexpired leases are being rejected under this Plan) shall be paid as follows:

**Percent Plan.** Creditors will receive 100 percent of their allowed claim in **20** equal quarterly installments, due on the 15th day of the quarter, starting on the Effective Date of the Plan.

Creditors in this class may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **This class is impaired and is entitled to vote on confirmation of the Plan.** Debtor has indicated above whether a particular claim is disputed.

**PART 3: TREATMENT OF PRIORITY AND ADMINISTRATIVE CLAIMS**

(a) Professional Fees.

Debtor will pay the following professional fees in full on the Effective Date, or upon approval by the court, whichever is later.

Name and Role of Professional	Estimated Amount
Jaurigue Law Group	\$50,000.00
Michelle Keck (Not yet employed)	\$0 (Paid upon sale of Saddle Rd Property)

The following professionals have agreed to accept payment over time as follows. Payments will be made [monthly/quarterly], due on the [number] day of the [month/quarter], starting [month & year] or upon approval by the court, whichever is later.

Name and Role of Professional	Estimated Amount	Payment Amount	Number of Payments
None.			

Professionals may not take collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Estate professionals are not entitled to vote on confirmation of the Plan.**

(b) Other Administrative Claims. Debtor will pay other allowed claims entitled to priority under section 503(b) in full on the Effective Date; except expenses incurred in the ordinary course of Debtor's business or financial affairs, which shall be paid when normally due and payable (these creditors are not listed below). All fees payable to the United States Trustee as of confirmation will be paid on the Effective Date; post-confirmation fees to the United States Trustee will be paid when due.

Administrative Creditors may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Administrative claimants are not entitled to vote on confirmation of the Plan.**

Name of Administrative Creditor	Estimated Amount of Claim
None.	

(c) Tax Claims. Debtor will pay allowed claims entitled to priority under section 507(a)(8) in full over time with interest (at the non-bankruptcy statutory interest rate) in equal amortizing payments in accordance with section 511 of the Bankruptcy Code. Payments will be made monthly, due on the 15<sup>th</sup> day of the month, starting on the Effective Date of the Plan. To the extent amounts owed are determined to be other than as shown below, appropriate adjustments will be made in the number of payments.

Priority tax creditors may not take any collection action against Debtor so long as Debtor is not in material default under the Plan (defined in Part 6(c)). **Priority tax claimants are not entitled to vote on confirmation of the Plan.**

Name of Creditor	Estimated Amount of Claim	Statutory Interest Rate	Payment Amount	Number of Payments
None.				

**PART 4: EXECUTORY CONTRACTS AND UNEXPIRED LEASES**

(a) Executory Contracts/Unexpired Leases Assumed. Debtor assumes the following executory contracts and/or unexpired leases upon confirmation of this Plan and will perform all pre-

confirmation and post-confirmation obligations thereunder. Post-confirmation obligations will be paid as they come due.

Name of Counter-Party	Description of Contract/Lease
Arnold Rodriguez	Month to month residential lease agreement (Debtor is landlord)
Dean and Randy Kirschner	Periodic residential lease agreement (Debtor is landlord)
Qi Qi	Month to month residential lease agreement (Debtor is landlord)

(b) Executory Contracts/Unexpired Leases Rejected. Debtor rejects the following executory contracts and/or unexpired leases and surrenders any interest in the affected property, and allows the affected creditor to obtain possession and dispose of its property, without further order of the court. Claims arising from rejection of executory contracts have been included in Class 2 (general unsecured claims).

Name of Counter-Party	Description of Contract/Lease
None.	

(c) Executory contracts and unexpired leases not specifically assumed or rejected above will be deemed assumed.

**PART 5: DISCHARGE AND OTHER EFFECTS OF CONFIRMATION**

(a) Discharge. Debtor shall not receive a discharge of debts until Debtor makes all payments due under the Plan or the court grants a hardship discharge.

(b) Vesting of Property. On the Effective Date, all property of the estate and interests of the Debtor will vest in the reorganized Debtor pursuant to § 1141(b) of the Bankruptcy Code free and clear of all claims and interests except as provided in this Plan, subject to revesting upon conversion to Chapter 7 as provided in Part 6(f) below.

(c) Plan Creates New Obligations. Except as provided in Part 6(d) and (e), the obligations to creditors that Debtor undertakes in the confirmed Plan replace those obligations to creditors that existed prior to the Effective Date of the Plan. Debtor's obligations under the confirmed Plan constitute binding contractual promises that, if not satisfied through performance



of the Plan, create a basis for an action for breach of contract under California law. To the extent a creditor retains a lien under the Plan, that creditor retains all rights provided by such lien under applicable non-Bankruptcy law.

**PART 6: REMEDIES IF DEBTOR DEFAULTS IN PERFORMING THE PLAN**

(a) Creditor Action Restrained. The confirmed Plan is binding on every creditor whose claims are provided for in the Plan. Therefore, even though the automatic stay terminates on the Effective Date with respect to secured claims, no creditor may take any action to enforce either the pre-confirmation obligation or the obligation due under the Plan, so long as Debtor is not in material default under the Plan, except as provided in Part 6(e) below.

(b) Obligations to Each Class Separate. Debtor's obligations under the Plan are separate with respect to each class of creditors. Default in performance of an obligation due to members of one class shall not by itself constitute a default with respect to members of other classes. For purposes of this Part 6, the holders of all administrative claims shall be considered to be a single class, the holders of all priority claims shall be considered to be a single class, and each non-debtor party to an assumed executory contract or lease shall be considered to be a separate class.

(c) Material Default Defined. If Debtor fails to make any payment, or to perform any other obligation required under the Plan, for more than 10 days after the time specified in the Plan for such payment or other performance, any member of a class affected by the default may serve upon Debtor and Debtor's attorney (if any) a written notice of Debtor's default. If Debtor fails within 30 days after the date of service of the notice of default either: (i) to cure the default; (ii) to obtain from the court an extension of time to cure the default; or (iii) to obtain from the court a determination that no default occurred, then Debtor is in Material Default under the Plan to all the members of the affected class.

(d) Remedies Upon Material Default. Upon Material Default, any member of a class affected by the default: (i) may file and serve a motion to dismiss the case or to convert the case to Chapter 7; or (ii) without further order of the court has relief from stay to the extent necessary, and may pursue its lawful remedies to enforce and collect Debtor's pre-confirmation obligations.

(e) Claims not Affected by Plan. Upon confirmation of the Plan, and subject to Part 5(c), any creditor whose claims are left unimpaired under the Plan may, notwithstanding paragraphs (a), (b), (c), and (d) above, immediately exercise all of its contractual, legal, and equitable rights, except rights based on default of the type that need not be cured under section 1124(2) (A) and (D).

(f) Effect of Conversion to Chapter 7. If the case is at any time converted to one under Chapter 7, property of the Debtor shall vest in the Chapter 7 bankruptcy estate to the same extent provided for in section 348(f) of the Bankruptcy Code upon the conversion of a case from Chapter 13 to Chapter 7.

(g) Retention of Jurisdiction. The bankruptcy court may exercise jurisdiction over proceedings concerning: (i) whether Debtor is in Material Default of any Plan obligation; (ii) whether the time for performing any Plan obligation should be extended; (iii) adversary proceedings and contested matters pending as of the Effective Date or specifically contemplated in this Plan to be filed in this court (see Part 7(f)); (iv) whether the case should be dismissed or converted to one under Chapter 7; (v) any objections to claims; (vi) compromises of controversies under Fed. R. Bankr. Pro. 9019; (vii) compensation of professionals; and (viii) other questions regarding the interpretation and enforcement of the Plan.

## **PART 7: GENERAL PROVISIONS**

(a) Effective Date of Plan. The Effective Date of the Plan is the fifteenth day following the date of the entry of the order of confirmation, if no notice of appeal from that order has been filed. If a notice of appeal has been filed, Debtor may waive the finality requirement and put the Plan into effect, unless the order confirming the Plan has been stayed. If a stay of the confirmation order has been issued, the Effective Date will be the first day after that date on which no stay of the confirmation order is in effect, provided that the confirmation order has not been vacated.

(b) Disputed Claim Reserve. Debtor will create a reserve for disputed claims. Each time Debtor makes a distribution to the holders of allowed claims, Debtor will place into a reserve the amount that would have been distributed to the holders of disputed claims if such claims had been allowed in the full amount claimed. If a disputed claim becomes an allowed claim,

Debtor shall immediately distribute to the claimant from the reserve an amount equal to all distributions due to date under the plan calculated using the amount of the allowed claim. Any funds no longer needed in reserve shall be returned to Debtor.

(c) Cramdown. Pursuant to section 1129(b) of the Bankruptcy Code, Debtor reserves the right to seek confirmation of the Plan despite the rejection of the Plan by one or more classes of creditors.

(d) Severability. If any provision in the Plan is determined to be unenforceable, the determination will in no way limit or affect the enforceability and operative effect of any other provision of the Plan.

(e) Governing Law. Except to the extent a federal rule of decision or procedure applies, the laws of the State of California govern the Plan.

(f) Lawsuits.

Debtor believes that causes of action for fraudulent transfers, voidable preferences, or other claims for relief exist against the following parties:

Party	Creditor Y/N	Nature of Claim	Amount of Claim	Will Debtor Prosecute Action? Y/N
None.				

(g) Notices. Any notice to the Debtor shall be in writing, and will be deemed to have been given three days after the date sent by first-class mail, postage prepaid and addressed as follows:

Alicia Beard  
c/o Jaurigue Law Group  
46 W. Santa Clara St.,  
San Jose, CA 95113

(h) Post-Confirmation United States Trustee Fees. Following confirmation, Debtor shall continue to pay quarterly fees to the United States Trustee to the extent, and in the amounts, required by 28 U.S.C. § 1930(a)(6). So long as Debtor is required to make these payments, Debtor shall file with the

court quarterly reports in the form specified by the United States Trustee for that purpose.

(i) Deadline for § 1111(b) Election. Creditors with an allowed secured claim can make a timely election under section 1111(b) no later than 14 days before the first date set for the hearing on confirmation of the Plan.

Dated: October 20, 2016

  
\_\_\_\_\_  
Debtor Alicia Beard

/s/ Nam H. Le  
\_\_\_\_\_  
Jaurigue Law Group  
Nam H. Le  
Attorney for Debtor

## Attorney Certification

I, Nam H. Le, am legal counsel for the Debtor(s) in the above-captioned case and hereby certify the following: (i) the foregoing plan is a true and correct copy of the Individual Chapter 11 Combined Plan and Disclosure Statement promulgated by the Northern District of California, San Francisco Division, on July 30, 2012 (the "Standard-Form Plan"); and (ii) except as specified below, there have been no alterations or modifications to any provision of the Standard-Form Plan.

The following provisions of the Standard-Form Plan have been altered or otherwise modified.

Column widths for certain tables have been adjusted to fit data for better readability.

On Page 8, the chart for "Executory Contracts/Unexpired Leases Assumed" was replaced with a simpler chart as Debtor makes no payments on leases indicated.

On Page 18, additional lines prior to "Projected Total Cash on Hand on Effective Date" have been added to indicate source of cash on hand.

I declare that the foregoing is true and correct. Executed this 20th day of October, 2016.

/s/ Nam H. Le  
Attorney for Debtor(s)

## **Exhibit 1 - Events That Led To Bankruptcy**

In or around 2010, Debtor's financial troubles began due to a divorce proceeding with Debtor's ex-husband. Receiving very bad legal advice from a bankruptcy attorney named Daniel Halpern, Debtor filed a Chapter 7 petition in or around April 2010. Halpern subsequently mishandled the case, resulting in the loss of two of Debtor's properties in foreclosure. Debtor was further obligated to pay a substantial amount of administrative fees during the case in addition to full payment of her unsecured debt. Halpern was later disbarred in 2014 in connection with a conviction for grand theft.

After filing the Chapter 7 petition, Debtor incurred further legal fees in her divorce proceeding, and in payments towards alimony and her ex-husband's attorney's fees. As a result of the above, Debtor incurred further debt and fell behind on payments on her investment property located at 10890 Ridgeview Avenue, San Jose, California (the "10890 Ridgeview Property").

Debtor is currently employed as an office manager at EA Machining, Inc. Along with the her employment income, the Debtor generates rental income from her three real properties, collects social security income, pension income, and payments on promissory notes owed to her. With this income, and via the sale of her real property located at 4024 Saddle Rd., Lake Tahoe, CA, the Debtor will be able to come current on the arrears on the 10890 Ridgeview Property and pay all general and priority unsecured creditors in full.

**Exhibit 2 - What Creditors Would Receive if the Case Were Converted to a Chapter 7**

Real Property #1: 10900 Ridgeview Ave., San Jose, CA 95127

Fair Market Value	Liens	Cost of Sale <sup>1</sup>	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$900,000	1 <sup>st</sup> Wells Fargo Bank \$520,848.77	\$72,000	\$46,200	\$175,000	\$85,951.23

Real Property #1: 10890 Ridgeview Ave., San Jose, CA 95127

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$900,000	1 <sup>st</sup> Wells Fargo Bank \$818,843.86	\$72,000	\$22,500	\$0	\$0

Real Property #3: 4024 Saddle Rd, South Lake Tahoe, CA 96150

Fair Market Value	Liens	Cost of Sale	Resulting Income Tax	Amt of Exemption	Net Proceeds
\$560,000	1 <sup>st</sup> Wells Fargo Bank \$301,109.88	\$44,800	\$40,000	\$0	\$174,090.12

**Personal Property:**

Description	Liquidation Value	Secured Claim	Amt of Exemption	Net Proceeds
Cash	\$4,070	\$0	\$0	\$4,070
Automobile #1 - 2015 GMC Acadia	\$25,035.96	\$35,507.71	\$2,900	\$0
Automobile #2 - 2003 GMC Yukon	\$4,140	\$0	\$2,900	\$1,240
Household Furnishings	\$2,720	\$0	\$2,695	\$25
Jewelry	\$30	\$0	\$30	\$0
Equipment	\$0	\$0	\$0	\$0
Promissory Note from Anne Marie Amaro and Edward L. Amaro	\$200,633.96	\$0	\$0	\$200,633.96

<sup>1</sup> Cost of sale calculated as 8 percent of value of property for purposes of this liquidation analysis

Promissory Note of De La Cruz, LLC	\$277,630.51	\$0	\$0	\$277,630.51
Other Personal Property				
<b>TOTAL</b>				\$483,599.47

Net Proceeds of Real Property and Personal Property	\$743,640.82
Recovery from Preferences / Fraudulent Conveyances [ADD]	\$0
Chapter 7 Administrative Claims [SUBTRACT]	\$0
Chapter 11 Administrative Claims [SUBTRACT]	\$50,000
Priority Claims [SUBTRACT]	\$0
Chapter 7 Trustee Fees [SUBTRACT]	\$6,250
Chapter 7 Trustee's Professionals [SUBTRACT]	\$30,000
<b>NET FUNDS AVAILABLE FOR DISTRIBUTION TO UNSECURED CREDITORS</b>	\$657,390.82

Estimated Amount of Unsecured Claims	\$41,972.96
Percent Distribution to Unsecured Creditors Under Proposed Plan	100%
Percent Distribution to Unsecured Creditors Under Liquidation Analysis	100%

**Exhibit 3 - Monthly Income and Expenses**

<b>Income</b>	<b>Amount</b>
Debtor Net Employment Income	\$3,586.84
Debtor Social Security Income	\$1,415
Debtor Pension Income	\$110.95
Promissory Note Repayment	\$1,097.40
Rental Income from Principal Residence (10900 Ridgeview)	\$1,845
Positive Cash Flow on Investment Property (Exhibit 5, Line A)	\$173
<b>A. Total Monthly Income</b>	\$8,228.19

<b>Expenses</b>	<b>Amount</b>
Includes Plan Payments on Secured Claims for Residence and Car	
Payroll Taxes and Related Withholdings	Incl.
Retirement Contributions (401k, IRA, PSP)	Incl.
Shelter Expenses (rent/mortgage, insurance, taxes, utilities) (Total Arrearages on Principal Residence are \$0)	\$3,938



Household Expenses (food and home supplies)	\$800
Transportation Expenses (car payments, insurance, fuel)	\$240
Personal Expenses (e.g. recreation, clothing, laundry, medical)	\$270
Child Care	\$0
Other Expenses	\$0
Negative Cash Flow on Investment Property (Exhibit 5, Line B)	\$0
<b>B. Total Monthly Expenses</b>	<b>\$5,248</b>

<b>C. Disposable Income</b> (Line A - Line B)	\$2,980.19
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<b>Plan Payments</b>	<b>Amount</b>
Plan Payments Not Included in Calculating Disposable Income	
Administrative Claims	\$0
Priority Claims	\$0
General Unsecured Creditors (quarterly payment divided by 3)	\$682.32
Class 1(a) arrears	\$556.96
Class 1(b) payment	\$528.73
<b>D. Total Plan Payments</b>	<b>\$1,768.01</b>

<b>E. Plan Feasibility</b> (Line C - Line D) (Not feasible if less than zero)	\$1,212.18
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**Exhibit 4 - Effective Date Feasibility**

Can the Debtor Make the Effective Day Payments?

	Amount	Amount
Debtor in Possession Accounts	\$35,000	
Remaining Attorney Retainer Balance	\$9,008	
Proceeds from Sale of 4024 Saddle Rd	\$174,092.12	
<b>A. Projected Total Cash on Hand on Effective Date</b>		\$218,100.12
Payments on Effective Date		
Unclassified Claims	\$0	
Class 1(b) Lump Sum Payment	\$150,000	
Administrative Expense Claims	\$50,000	
Priority Claims	\$0	
Small Claims (Class 2(a))	\$1,033.69	
U.S. Trustee Fees	\$975	
<b>B. Total Payments on Effective Date</b>		\$202,008.69
<b>C. Net Cash on Effective Date</b> (Line A - Line B) (Not feasible if less than zero)		\$16,091.43

**Exhibit 5 - Investment Property Analysis**

**Properties with Positive Monthly Cash-Flow:**

Real Property #1 Income: [Insert Address]

Rental Income	Mortgage	Insurance	Property Taxes	Other Expenses	Net Income
\$3,510	1 <sup>st</sup> Wells Fargo Bank \$3,337.00	Included	Included	\$0 (paid by tenant)	\$173

<b>A. Total Positive Cash Flow</b>	\$173
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